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October 30, 2002

Ex Parte Notice

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

**Re: Applications for Consent to the Transfer of Control of Licenses from  
Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast  
Corporation, Transferee, MB Docket No. 02-70**

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Dear Ms. Dortch:

On October 29, 2002, Brian L. Roberts, President, Comcast Corporation and James R. Coltharp, Senior Director, Public Policy, Comcast Corporation had several meetings with Commission personnel regarding the above-captioned proceeding. Specifically, they met with (1) Media Bureau Chief W. Kenneth Ferree and Media Bureau Chief of Staff Deborah E. Klein, (2) Commissioner Kathleen Q. Abernathy and her Legal Advisor, Stacy Robinson, (3) Commissioner Kevin J. Martin and his Legal Advisor, Catherine Crutcher Bohigian, and (4) Alexis Johns, Legal Advisor to Commissioner Copps. The undersigned also participated in all of the meetings except for the one with Ms. Johns.

In each of the conversations, Mr. Roberts reiterated the importance to Comcast's customers, investors, and employees of a timely final decision by the Commission on the merger review. He stated his desire to proceed expeditiously with completing the rebuild of current AT&T Broadband cable systems, serving about one-third of the company's customers. Mr. Roberts also noted that his company and AT&T Broadband had, between them, entered into several voluntarily negotiated agreements with third-party ISPs during the past year, thus advancing the Commission's goal of promoting such marketplace agreements.

Mr. Roberts noted that the merger applicants have been exceedingly forthcoming with all relevant documentation in response to Commission requests. He also stated that the Commission should reject the pending motions by certain consumer groups and by a separate commercial ISP competitor requesting the release for public comment of the agreement ("AOL ISP Agreement") that would allow AOL Time Warner to offer high-speed Internet service on AT&T Comcast's cable systems. Mr. Roberts noted the highly proprietary, confidential nature of that agreement, and his serious concern that, were it to be submitted to the Commission in the context of this

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proceeding despite having no relevance to the merger review, there is serious risk that its confidentiality could be compromised, even with current Commission procedures in place. Any such breach of confidentiality could be commercially harmful not only to applicants but also to AOL Time Warner.

Mr. Roberts observed that certain petitioners had, at various times, raised at least three different concerns about the AOL ISP Agreement – that it might be “exclusive,” that it might by its terms modify the TWE Restructuring Agreement, and that it might provide evidence of “market power” on the part of the combined AT&T Comcast. He said that all three questions had been addressed unequivocally through statements filed on the record by corporate officers of AT&T and Comcast, further demonstrating that the ISP agreement has no relevance to the Commission’s public interest merger review.

In addition, the meeting with Commissioner Abernathy included discussions of two other substantive issues. Regarding the term of the trust through which AT&T Comcast plans to hold AT&T’s minority interest in the TWE limited partnership, Mr. Roberts summarized the points previously presented in a letter filed by Betsy Brady and James Coltharp on September 20 (pertaining to the size and complexity of AT&T’s TWE interest and the difficulty of unwinding it, the noncontrolling nature of the interest, and the volatile state of the capital markets). In response to a question pertaining to the effect of the merger on “clustering” within particular markets, Mr. Roberts explained that this merger will not lead to any significant increase in clustering. Elaborating on that point, he summarized the information presented in applicants’ response to question B1 of the Bureau’s information and document request, filed under the protective order on July 2.

Pursuant to section 1.1206(b)(2) of the Commission’s rules, this letter is being filed electronically with the Office of the Secretary. Copies of this letter are also being sent to Commissioners Abernathy and Martin, Legal Advisors Robinson, Bohigian, and Johns, Mr. Ferree and Ms Klein, as well as the merger review team. Please let me know if you have any questions.

Sincerely,

James L. Casserly

cc:	Commissioner Abernathy	Commissioner Martin	Stacy Robinson
	Catherine Bohigian	Alexis Johns	W. Kenneth Ferree
	Deborah E. Klein	Royce D. Sherlock	Roger D. Holberg
	Erin Dozier	Simon Wilkie	James R. Bird
	William Dever	Cynthia Bryant	Jeff Tobias
	Patrick Webre	Lauren Kravetz Patrich	Qualex International